

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

SW-03036A
Sweetwater Creek Utilities, Inc.
P.O. Box 5450
Yuma, AZ 85366

RECEIVED

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Sewer

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN05	10
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4-12-11

COMPANY INFORMATION

Company Name (Business Name) Sweetwater Creek Utilities, Inc.

Mailing Address: c/o Sunstate Environmental Services: P.O. Box 5450

(Street)

Yuma

AZ

85366

(City)

(State)

(Zip)

(928)341-9685

(928)341-9196

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: sunstatees@aol.com

Local Office Mailing Address c/o Sunstate Environmental Services: P.O. Box 5450

(Street)

Yuma

AZ

85366

(City)

(State)

(Zip)

(928)341-9685

(928)341-9196

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: sunstatees@aol.com

MANAGEMENT INFORMATION

☐ **Regulatory Contact:** See Sunstate Environmental Services Information Above

☐ **Management Contact:** Sunstate Environmental Services

(Name)

(Title)

P.O. Box 5450

Yuma

AZ

85366

(Street)

(City)

(State)

(Zip)

(928)341-9685

(928)341-9196

(928)920-9056

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: Sunstatees@aol.com

On Site Manager: Rick Miller, Sunstate Environmental Services

(Name)

Same as above

(Street)

(City)

(State)

(Zip)

Same as above

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: Same as Above

Statutory Agent: CT Corporation System

(Name)

2394 E. Camelback Rd.
(Street)Phoenix
(City)AZ
(State)85016
(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Patrick Black, Esq; Fennemore Craig, P.C.

(Name)

3003 N. Central Ave
(Street)Phoenix
(City)AZ
(State)85012
(Zip)

(602)916-5400

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: JLShapir@fclaw.com**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input checked="" type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	13,462	(9,300)	4,162
352	Franchises			
353	Land and Land Rights	44,000	0	44,000
354	Structures and Improvements	105,293	(66,182)	39,111
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	129,324	(88,698)	40,626
362	Special Collecting Structures			
363	Services to Customers	31,630	(21,852)	9,778
364	Flow Measuring Devices	4,020	(2,454)	1,566
365	Flow Measuring Installations	1,000	(691)	309
370	Receiving Wells	21,500	(14,854)	6,646
380	Treatment and Disposal Equip.	491,518	(301,171)	190,347
381	Plant Sewers	2,661	(1,782)	879
382	Outfall Sewer Lines	10,673	(7,374)	3,299
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment	4,085	(2,078)	2,007
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	8,016	(3,757)	4,259
395	Power Operated Equipment	7,791	(1,737)	6,054
398	Other Tangible Plant			
	TOTALS	874,973	(521,929)	353,044

This amount goes on the Balance Sheet Acct. No. 108 

COMPANY NAME: Sweetwater Creek Utilities, Inc.

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	13,462	5%	673
352	Franchises			
353	Land and Land Rights	44,000	0%	
354	Structures and Improvements	105,293	5%	5,265
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	129,324	5%	6,466
362	Special Collecting Structures			
363	Services to Customers	31,630	5%	1,582
364	Flow Measuring Devices	4,020	5%	201
365	Flow Measuring Installations	1,000	5%	50
370	Receiving Wells	21,500	5%	1,075
380	Treatment and Disposal Equip.	491,518	5%	24,576
381	Plant Sewers	2,661	5%	133
382	Outfall Sewer Lines	10,673	5%	534
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment	4,085	5%	204
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	8,016	5%	401
395	Power Operated Equipment	7,791	5%	390
398	Other Tangible Plant			
	TOTALS	874,973		41,549

This amount goes on the Comparative Statement of Income and Expense Acct. 403

COMPANY NAME: Sweetwater Creek Utilities, Inc.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$5,282	\$7,792
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$27,787	\$19,542
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	\$750	
174	Miscellaneous Current and Accrued Assets	\$8,723	
	TOTAL CURRENT AND ACCRUED ASSETS	\$42,542	\$27,334
	FIXED ASSETS		
101	Utility Plant in Service	\$874,973	\$874,973
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(\$480,380)	(\$521,929)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$394,593	\$353,034
	TOTAL ASSETS	\$437,135	\$380,378

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page.

COMPANY NAME: Sweetwater Creek Utilities, Inc.

BALANCE SHEET (CONTINUED)

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$42,455	\$0
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		\$3,750
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$42,455	\$3,750
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$103,865	\$91,167
	DEFERRED CREDITS		
252	Advances in Aid of Construction		
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	\$689,477	\$689,477
272	Less: Amortization of Contributions	(\$408,632)	(\$440,906)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$280,845	\$248,571
	TOTAL LIABILITIES	\$427,165	\$343,488
	CAPITAL ACCOUNTS		
201	Common Stock Issued	(\$97,917)	(\$97,917)
211	Other Paid in Capital	\$25,000	\$25,000
215	Retained Earnings	\$82,887	\$109,807
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$9,970	\$36,890
	TOTAL LIABILITIES AND CAPITAL	\$437,135	\$380,378

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$211,284	\$213,081
522	Measured Revenues		
536	Other Wastewater Revenues	\$1,390	\$12,126
	TOTAL REVENUES	\$212,624	\$225,207
	OPERATING EXPENSES		
701	Salaries and Wages		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	(\$11,700)	(\$7,800)
715	Purchased Power	(\$29,952)	(\$29,380)
716	Fuel for Power Production		
718	Chemicals	(\$17,100)	(\$17,819)
720	Materials and Supplies	(\$12,235)	(\$25,289)
731	Contractual Services – Professional	(\$2,207)	(\$9,509)
735	Contractual Services – Testing	(\$1,560)	(\$1,967)
736	Contractual Services – Other	(\$62,421)	(\$65,134)
740	Rents	(\$28,425)	(\$32,721)
750	Transportation Expense	(\$900)	(\$864)
755	Insurance Expense		
765	Regulatory Commission Expense	(\$1,004)	(\$2,500)
775	Miscellaneous Expense	(\$4,682)	(\$4,896)
403	Depreciation Expense	(\$9,275)	(\$9,275)
408	Taxes Other Than Income		(\$83)
408.11	Property Taxes	(\$6,010)	(\$4,157)
409	Income Taxes	(\$18,048)	(\$5,478)
	TOTAL OPERATING EXPENSES	(\$205,519)	(\$216,872)
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		\$974
421	Non-Utility Income		\$6,204
426	Miscellaneous Non-Utility Expenses (incl. bad debt)	\$0	(\$7,197)
427	Interest Expense	(\$8,714)	(\$8,004)
	TOTAL OTHER INCOME/EXPENSE	(\$8,714)	(\$8,023)
	NET INCOME/(LOSS)	(\$1,609)	\$ 312

COMPANY NAME: Sweetwater Creek Utilities, Inc.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	7/1/00	10/28/04		
Source of Loan	Pivotal Utility Management, LLC	Meyer Farms		
ACC Decision No.	Refinance of Loan approved in Decision #61958	N/A		
Reason for Loan	Capital Plant Purchases	Stock Repurchase/ Buyback		
Dollar Amount Issued	\$70,939	\$102,916.66	\$	\$
Amount Outstanding	\$49,260	\$41,906.66	\$	\$
Date of Maturity	6/30/2020	11/1/2014		
Interest Rate	9.5%	5%	%	%
Current Year Interest	\$4,866	\$2,139	\$	\$
Current Year Principle	\$3,069	\$8,681	\$	\$

COMPANY NAME: Sweetwater Creek Utilities, Inc.	
Name of System: Sweetwater WWTP	Wastewater Inventory Number (if applicable): 102846

WASTEWATER COMPANY PLANT DESCRIPTION
TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended Aeration
DESIGN CAPACITY OF PLANT (Gallons Per Day)	126,000

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
10363 S. Union Dr. Yuma, AZ Influent Lift Station	2	10.1	450	3,100

FORCE MAINS

Size	Material	Length (Feet)
4-inch	CPVC	100
6-inch		

MANHOLES

Type	Quantity
Standard	57
Drop	

CLEANOUTS

Quantity

COMPANY NAME: Sweetwater Creek Utilities, Inc.		
Name of System:	Sweetwater WWTP	Wastewater Inventory Number (if applicable): 102846

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4		
6		
8	PVC	15,426
10	PVC	30
12	PVC	5,050
15	PVC	1,089
18		
21		
24		
30		

SERVICES

Size (in inches)	Material	Quantity
4		
6		
8		
12		
15		

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY
PER WASTEWATER SYSTEM**

SOLIDS PROCESSING AND HANDLING FACILITIES	Two aerated sludge holding tanks/ digesters
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	One chlorine contact basin with liquid chlorine feed system
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
STRUCTURES (Buildings, Fences, Etc.)	One stucco on-site operations/ control building. Chain Link Fence around site perimeter.
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Laboratory/ Process Control Testing Equipment One portable trash pump/ backup solids handling pump

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Sweetwater Creek Utilities, Inc.	
Name of System: Sweetwater WWTP	Wastewater Inventory Number (if applicable):102846

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW (Million Gallons)	SEWAGE FLOW ON PEAK DAY (MGD)
January	567	4.02	.147
February	567	3.59	.144
March	566	3.89	.140
April	565	3.48	.127
May	566	3.90	.129
June	567	3.19	.126
July	566	2.24	.131
August	565	2.47	.111
September	564	2.43	.103
October	562	2.39	.109
November	564	2.55	.104
December	563	2.72	.108

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE PER WASTEWATER SYSTEM

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Evaporation/ Percolation Ponds
Groundwater Permit Number	
ADEQ Aquifer Protection Permit Number	
ADEQ Reuse Permit Number	
EPA NPDES Permit Number	

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Sweetwater Creek Utilities, Inc.		
Name of System:	Sweetwater WWTP	Wastewater Inventory Number (if applicable):102846

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2- 609.B	Termination with Notice R14-2- 609.C	OTHER
JANUARY				
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
TOTALS →				

OTHER (description):

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME: Sweetwater Creek Utilities, Inc. YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: **\$15,654.60**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Colorado

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>DENVER</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>JOHN CLINGMAN</u>
COMPANY NAME	<u>SWEETWATER CREEK UTILITIES, INC</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2010</u>

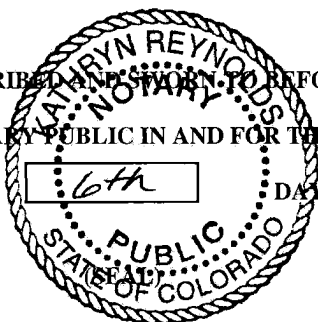
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 6th DAY OF



MY COMMISSION EXPIRES 2-17-15

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
303-660-9211
TELEPHONE NUMBER

COUNTY NAME	<u>Denver</u>
MONTH	<u>April</u>
	<u>.2011</u>

[Signature]
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF COLORADO
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>DENVER</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>JOHN CLINGMAN</u>
COMPANY NAME	<u>SWEETWATER CREEK UTILITIES INC</u>

RECEIVED
ACCUITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

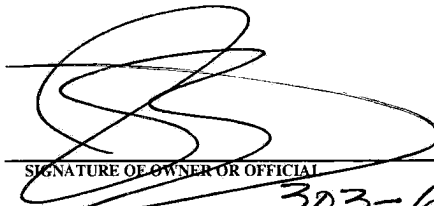
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>225,207</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
303-660-9211
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

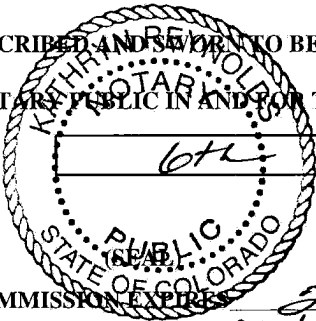
THIS 6th DAY OF

COUNTY NAME	<u>DENVER</u>
MONTH	<u>APRIL</u> , 20 <u>11</u>


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 2/17/15

My Commission Expires 2/17/15



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION
STATE OF Colorado

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>DENVER</u>	
NAME (OWNER OR OFFICIAL)	<u>JOHN GINSMAN</u>	TITLE <u>OWNER</u>
COMPANY NAME <u>SWEETWATER CREEK UTILITIES INC.</u>		

RECEIVED
ACC UTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2010</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

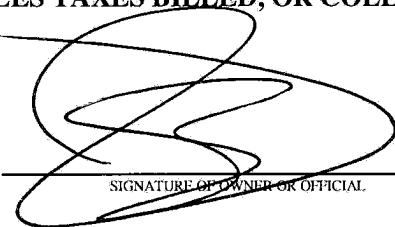
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 225,207

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

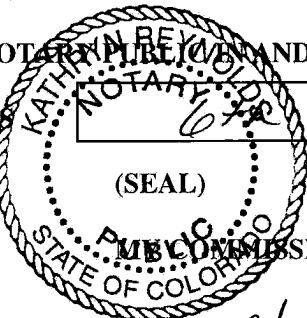

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 6th DAY OF

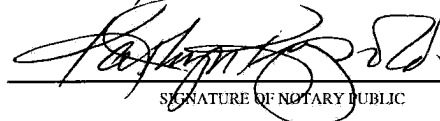


(SEAL)

MY COMMISSION EXPIRES

My Commission Expires 2/17/15

NOTARY PUBLIC NAME	<u>KATHRYN REYNOLDS</u>	
COUNTY NAME	<u>Denver, Colorado</u>	
MONTH	<u>April</u>	<u>2011</u>


SIGNATURE OF NOTARY PUBLIC